

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT

OF

COUNTY HOME

CASS COUNTY, INDIANA

January 1, 2007 to December 31, 2007



FILED

09/11/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Superintendent	Stan Grimes	08-01-06 to 08-08-08
President of the County Council	Chod Gibson Ralph Anderson	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the Board of County Commissioners	Steven M. Kain Richard L. Rusk	01-01-07 to 01-22-08 01-23-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CASS COUNTY

We have audited the records of the County Home for the period from January 1, 2007 to December 31, 2007, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Cass County for the year 2007.

STATE BOARD OF ACCOUNTS

August 27, 2008

COUNTY HOME
CASS COUNTY
AUDIT RESULTS AND COMMENTS

PRESCRIBED FORMS

The Superintendent's monthly reports (form77) were not filed with the County Auditor and County Home receipts (form 77C) were not issued. The Resident's Maintenance ledger (form77B) was not used by the County Home Superintendent or the County Auditor. A similar comment was noted in the prior report.

Officials and employee are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

INTERNAL CONTROLS

Controls over the receipting, disbursing, recording, and accounting for the financial activities of the County Home were not sufficient. Procedures are not in place to accurately track the billing and collection of the resident's rental charges.

Controls over compliance with contracts and custody of official records were insufficient. The County Commissioner's contracted with Four County Counseling Center (FCCC) to provide superintendent services for the County Home. The contract stipulates FCCC will prepare and submit a monthly report of activities to the County Commissioners; however, no reports were submitted. FCCC did not use or maintain any of the prescribed forms, or approved substitutes, to record financial transactions of the County Home, resident accounts receivable, or resident trust accounts. FCCC terminated the contract effective August 8, 2008. When records were requested from the executive director of FCCC, he stated that the records, if any, were in the possession of their former employee who had been assigned to superintend the County Home.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

SUBSEQUENT EVENT

On July 21, 2008, the Cass County Commissioners voted to close the County Home as of August 31, 2008.

COUNTY HOME
CASS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2008, with Richard L. Rusk, President of the Board of County Commissioners; and Ralph Anderson, President of the County Council. The officials concurred with our audit findings.